TESTIMONY BEFORE

THE TRANSPORTATION COMMITTEE

REGARDING HB 5474

Mach 12, 2010

I am Paul W. Brady, Executive Director of the American Council of Engineering Companies of Connecticut (ACEC/CT), representing over 100 engineering firms providing independent engineering services to the public and private sector.

We wish to speak in support of this bill. We believe it is clear that the current funding sources for the state's Special Transportation Fund are inadequate to meet the need for a safe and efficient transportation system. In addition, revenues from the primary sources, namely the fuel tax and the gross receipts tax, are and will continue to diminish as electric and alternative fuel vehicles become more popular making automobiles more efficient and thus generating less revenue for the fund. Compound this with the tremendous uncertainty of Federal funding and the need to find new revenue sources becomes very clear.

Tolling can and should be part of the solution.

Tolling of highways and bridges has often been demonized as requiring payment for something that is free. As we all know, nothing is free. Tolling provides an opportunity. It is and should be considered exactly what it is, a user fee. The logic is simple. If you choose to use the facility, you should pay for your use. Unlike other methods of financing such as the motor fuels tax, tolling is a much clearer way to assess cost and value. Since there are collection points, the fee is directly assessed to the use of that facility.

Tolling also provides the benefit of having all users pay their fair share. This means that out-of-state users would pay their share of the cost. Unlike the current system where out of state users may pass thru the state without buying fuel and thereby contributing to the motor fuel tax, these users would pay automatically.

The tolling of today is far different from that of the past. The methods of today's toll collection can make the processes of highway driving and toll collection seamless, transparent and safe. Electronic tolling allows for collection without stopping. Additionally, electronic tolling requires far less area thereby having little to no impacts on wetlands or air quality making it environmentally friendly.

Tolling can provide two critical functions. The first is a direct source of revenue for the transportation infrastructure. The second is a means of traffic demand management. The revenue perspective is clear. The user pays for the use of the facility directly. The revenue amount can vary depending upon the value assessed i.e. the toll rate. The following example illustrates the revenue potential:

1. Five (5) collection points on I-95 between the state lines of New York and Rhode Island with a $2 toll could yield $304M annually – collection points would occur between:

    - NY state line - Stamford
    - Stamford – Bridgeport
    - Bridgeport – New Haven
    - New Haven – New London
    - New London – RI state line

2. Two (2) collection points on I-91 north and south of Harford with a $2 toll could yield $168M annually – collection points would occur between:

- Wethersfield - Hartford
- Hartford – Windsor

Together this could provide new revenue of $472M annually. The creation of well spaced collection points provides equity for the users by having drivers who use more of the system pay the most and conversely, drivers who use less of the system pay the least. This would also provide a distributed value avoiding the complications of interstate commerce issues associated with a strict border tolling concept.

The traffic demand management (TDM) aspect of tolling is derived from the toll rate structure and the willingness of users to pay the toll. TDM can be equated to congestion management in this regard. Simply put, TDM, in a tolling scenario, is achieved by understanding how much money the user is willing to pay. This often creates the maximum revenue yield and the traffic capacity retention desired.

Thank you for your consideration and I would be happy to answer any of your questions.

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